(iv) Open market sales of 50 lakh MTs of wheat and 10 lakh MTs of rice at prices to be determined by the existing High Level Committee of the FCI have been permitted. FCI has been authorized to sell the stocks in the open market either through auction in prefixed lots or by fixation of sale prices keeping in view the prevailing market conditioins.

(v) WTO compatible subsidies for promotion of exports of wheat and rice are being provided.

(vi) Quantitative restrictions on the exports of rice and wheat have been removed, subject to the condition that the stocks in the Central pool will not be lower than the buffer stock of 243 lakh MTs (100 lakh MTs) of rice and (143 lakh MTs of wheat) at any point of time.

[All the above decisions from S. No. (ii) to (vi) are valid upto 31.3.2003].

Private sector's participation in storage and transportation of foodgrains

3852. SHRI K. B. KRISHNA MURTHY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the private sector has offered investments in food storage, handling and transportation to ease pressure on FCI in the wake of mounting buffer stocks of foodgrains;

(b) if so, whether as a pre-condition to investment, they have demanded 100 per cent space utilisation guarantee by Government; and

(c) what incentives have already been offered by Government to the private sector to encourage its participation in storage and transportation of foodgrains?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) Yes Sir.

(b) No specific demand has been made by private agencies, however, National policy on handling, storage and transportation of foodgrains announced by the Government envisages various incentives including guaranteed capacity utilization for 20 years *i.e.* 100% capacity utilization for first ten years and 75% utilization for next ten years.

(c) Various other incentives offered by the Government to the private sector are as follows:

(i) measures such as Build-Own-Operate (BOO)

(ii) generation of funds through public issues by private enterprises

(iii) automatic approval for Foreign Direct Investment (FDI) upto 100%

(iv) loans from financial institutions, NABARD, external commercial borrowings

(v) fiscal incentives as given below:

(a) 100% deductions in profit for purposes of income tax for first 5 years

(b) 30% deductions in profit for the same purpose for next 5 years.

(c) Deductions of 40% of the profit derived by financial institutions financing such projects, as provided to financial corportion engaged, *inter alia,* in providing long term finance for agricultural development

(d) Customs duty exemption for items not manufactured in India, on a case-to-case basis, subject to a list of such equipment being submitted in advance.

Quality of imported food-items

3853. SHRI RAMA MUNI REDDY SIRIGIREDDY:
SHRI K. RAMA MOHANA RAO:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the recent survey conducted by the CII reveals that 70 per cent of the imported food-items did not qualify the country's food laws;